

EXHIBIT A
SCOPE OF WORK

BACKGROUND

Senate Bill 35X was approved by the legislature and signed into law by Governor Gray Davis on April 11, 2001. The law provides the State Energy Resources Conservation and Development Commission (the Commission) with \$35 million to implement programs to improve demand-responsiveness in heating, ventilation, air conditioning, lighting, advanced metering of energy usage and other systems in buildings. The Commission has allocated \$10 million to develop a demand responsiveness (DR) program for small and medium size commercial and industrial (SC&I) electricity customers

PURPOSE

The Contractor, as the program administrator, will plan, administer, and report on a DR program for SC&I electricity customers. The Contractor will also monitor and verify program success as well as provide technical support to the Commission as needed.

The objective of the DR program is to achieve 100 MW of peak electricity demand savings from participating, SC&I California electricity customers. The targeted customers will have a total electricity demand level of 50 kW to 200 kW. This DR program will include, among other services, customer recruitment, installation of applicable load-reduction software and hardware, customer training, monitoring and verification.

PRIMARY TASKS

When directed by the Commission's contract manager, the Contractor will be assigned work in one or more of the areas listed in Table 1 through a work authorization. The work authorization will delineate the specific work scope, schedule and budget.

Table 1 Summary of Work Statement Tasks

Task Number	Tasks
1	Develop SC&I Program and Evaluation Plans
2	Customer Recruitment
3	Hardware and Software Installation
4	Building Operation and Maintenance Personnel Training
5	Monitor and Verify Peak Load Savings
6	Manage Administrative Work and Provide Progress Updates

All administrative costs incurred, including the managing of any subcontractors, will be included as part of the Contractor's overhead or general administrative expenses.

TASK 1. **Develop SC&I Program and Evaluation Plans**

1.1. **Develop Draft Program Plans**

When directed by the Commission's contract manager, the Contractor will develop a draft Small Commercial & Industrial Demand Responsive Program Plan (SC&I Plan). The SC&I Plan will include:

- a statement of the overall project objectives including projected energy and peak savings and their sustainability.
- a program design to reach the small and medium target markets (by building type,) and achieve the objectives above
- a recruitment or advertising campaign,
- a theory of how the program will convince customers to take action/ implement curtailment actions to achieve MW reductions,
- a plan to coordinate subcontractor, utility, vendor, and customer interaction,
- data collection plan to monitor progress with milestones, and
- a budget to implement the processes described above.

The Contractor will also develop a draft Small Commercial & Industrial Demand Responsive Program Evaluation Plan (Evaluation Plan). The plan will include a proposed set of research objectives, a method for collecting and analyzing data to answer those objectives. The Contractor will submit these plans to the Contract Manager for review.

Deliverable: Draft SC&I Plans, Draft Evaluation Plans

1.2. **Revise and Finalize Plans**

The Contractor will revise and finalize the plans as directed by the Contract Manager. Also, the Contractor will assist the Contract Manager as necessary to gain the Commissions' Energy Efficiency Committee approval of the plans.

Deliverable: Final SC&I Plans, Final Evaluation Plans

TASK 2. **Customer Recruitment**

When directed by the Commission's contract manager, the Contractor will:

- develop a model customer agreement that specifies the installation work to be done and the customer's agreement to participate in load curtailment programs.
- recruit customers by collecting signed customer agreements
- train customers on the use of energy management/ curtailment software
- provide grant management for customers installing DR systems

Deliverable: Sample Customer Agreement

TASK 3. **Hardware and Software Installation**

When directed by the Commission's contract manager, the Contractor will:

- schedule and commission demand responsive hardware and software installations,
- develop and implement a process to verify peak load reductions
- track invoices for installations and quality control,
- develop and implement demonstrations of DR systems for "hard to reach" SC&I customers. The Contractor will prepare and submit a SC&I Barriers Report on this activity for the Contract Manager approval.

Deliverable: Invoices for expenses incurred

Deliverable: SC&I Barriers Report

TASK 4. **Building Operation and Maintenance Personnel Training**

When directed by the Commission's contract manager, the Contractor will:

- prepare training materials
- provide training to building operators to enhance the effectiveness of DR systems,
- ensure that building operations and maintenance staff have access to the relevant training manuals, vendor contacts, and equipment to manage and maintain DR systems.

Deliverable: Training Materials

TASK 5. **Monitor and Verify Peak Load Savings**

When directed by the Commission's contract manager, the Contractor will implement the approved Evaluation Plan that will measure and verify load reductions achieved by each participant. The contractor shall prepare a Verification Report that will include load reduction data and verification results.

Deliverable: Verification Report

Task 6. **Manage Administrative Work and Provide Progress Updates**

When directed by the Commission Contract Manager, the Contractor will provide the following services and deliverables.

The Contractor will hire, through a competitive process, vendors or additional subcontractors to obtain needed products and services. If subcontractors are added, Contractor will ensure that subcontractor(s) meet the Commission's contract terms and invoicing procedures.

The Contractor will maintain a current contract Tracking Spreadsheet capable of tracking Contractor and subcontractor (if applicable) work activity, and the status of work authorizations; a monthly progress report which summarizes all work by the Contractor team and which includes a summary of contract expenditures to date.

The monthly progress report is due to the Commission's Contract Manager the last working day of the month. The Commission's Contract Manager will specify the report format and the number of copies to be submitted. All monthly progress reports will coincide with the invoice period.

The Contractor will prepare, and monthly invoice, as applicable, the Commission for all completed work indicated in the work authorization. An advice copy of the invoice shall be sent to the Contract Manager to insure that all records are included and the invoice is for authorized work. The official invoice is to be submitted to the Commission's Accounting Office. The Commission's Contract Manager will specify the invoice format.

The Contractor will provide a draft and final contract report and abstract. A draft Final Report is due three months before the end of the contract. The Final Report and 200-word abstract are due no later than fifteen days before the end of the contract. The Final Report shall include a summary of:

- The effectiveness of this contract in meeting the objectives of the program
- The work accomplishments of the Contractor and team;
- Future activities recommended increasing the effectiveness of the programs and this contract.

Additionally, the Contractor will:

- process and pay subcontractor requests for release of retained funds.
- provide administrative and/or technical support for the programs, as authorized by the Commission's Contract Manager through administrative work authorizations;
- provide verbal or written briefings regarding contract activities to the Commission or other entities as authorized by the Commission Contract Manager; and

Deliverable: Tracking Spreadsheet

Deliverable: Monthly Progress Report and Invoice

Deliverable: Draft and Final contract report and abstract

WORK ASSIGNMENT PROCESS

This is a "work authorization" contract and no work shall be undertaken unless authorized by the Commission through a specific written document called a Work Authorization.

The Commission's Contract Manager will prepare and issue the written work authorizations that contain the maximum price, budget, and schedule for the work to be performed.

The Commission Contract Manager will work, in consultation with the Contractor. Work assignments will be based upon:

- Expertise required for the work.
- Avoiding potential conflicts of interest

- Contractor availability
- Ability to reach mutually acceptable cost for work needed.
- Request of the customer to use a specific Contractor based on previous work, location, etc.

All work assignments will be made through specific work authorizations and will specify the schedule of deliverables.

Work Authorizations. The Commission's Contract Manager will develop work authorizations. The Contractor will then be sent the work authorization with the budget for signature and approval.

Contracts with subcontractors. For subcontractors, the Contractor shall submit proposed subcontractor contracts to the Commission for review and approval. The Contractor is responsible for the quality of all subcontractor work.

Deliverables. The Commission's Contract Manager will specify the number of required copies. These copies are due to the Contract Manager according to work authorization schedule.

Program meeting and briefings. At the request of the Commission's Contract Manager, the Contractor and subcontractors shall be available for meetings or provide written and/or verbal program briefings to the Commission's staff or others. The cost of meetings with entities will be included in each work authorization. The cost of meetings requested specifically by the Contractor will be borne sole by the Contractor. The Commission expects to hold no more than one (1) program briefing meeting per quarter.